# Dr.G.R.Damodaran College of Science

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CRISL rated 'A' (TN) for MBA and MIB Programmes

III B.COM[ECOM] [2012-2015]
Semester VI
Core: COST AND MANAGEMENT ACCOUNTING – 604A
Multiple Choice Questions.

1. The primary objective of cost accounting is------------.
   A. financial audit
   B. Cost ascertainment.
   C. profit analysis.
   D. tax compliance
   ANSWER: B

2. Direct cost incurred can be identified with--------.
   A. each department
   B. each unit of output.
   C. each month.
   D. each executive.
   ANSWER: B

3. Overhead cost is the total of-----------------.
   A. all indirect costs
   B. all direct costs
   C. indirect and direct costs.
   D. all specific costs.
   ANSWER: A

4. Imputed cost is a ---------.
   A. notional cost
   B. real cost
   C. normal cost
   D. variable cost
   ANSWER: A

5. Operating costing is suitable for------------.
   A. job order business
   B. contractors
   C. Sugar industries
   D. Service industries.
   ANSWER: D

6. Process costing is suitable for-------------.
   A. hospitals

B. oil refining firms
C. transport firms.
D. brick laying firms.
ANSWER: B

7. Cost classification can be done in ----------.
A. Two ways.
B. Three ways.
C. Four ways.
D. Several ways.
ANSWER: D

8. Cost accounting refers to the techniques and processes of----------.
A. allocation of costs
B. ascertainment of costs
C. distribution of cost
D. apportion of cost
ANSWER: B

9. Wages paid to a labour who was engaged in production activities can be termed as------------.
A. direct cost
B. indirect cost
C. sunk cost
D. imputed cost.
ANSWER: A

10. The cost which is to be incurred even when a business unit is closed is a----------.
A. imputed cost
B. historical cost
C. sunk cost
D. shutdown cost
ANSWER: D

11. Elements of costs are-----------.
A. three types
B. four types
C. five types
D. seven types
ANSWER: A

12. Direct expenses are also called------------.
A. major expenses
B. Chargeable expenses
C. overhead expenses
D. sundry expenses
ANSWER: B

13. Indirect material used in production is classified as-----------.
A. office overhead
B. selling overhead
C. distribution overhead

D. production overhead
ANSWER: D

14. Warehouse rent is a part of -----------------.
A. prime cost
B. factory cost
C. distribution cost
D. production cost
ANSWER: C

15. Indirect material scrap is adjusted along with ------------.
A. prime cost
B. factory cost
C. labour cost
D. cost of goods sold
ANSWER: B

16. Which one of the following is not considered for preparation of cost sheet?
A. Factory cost
B. goodwill written off
C. labour cost.
D. Selling cost.
ANSWER: B

17. Sale of defectives is reduced from-----------.
A. prime cost
B. works cost
C. cost of production
D. cost of sales.
ANSWER: C

18. Tender is an--------------.
A. estimation of profit.
B. estimation of cost
C. estimation of selling price.
D. estimation of units.
ANSWER: C

19. Cost of sales plus profit is----------------.
A. selling price
B. value of finished product.
C. value of goods produced
D. value of stocks.
ANSWER: A

20. Total of all direct costs is named as------------.
A. work cost
B. cost of goods sold
C. prime cost
D. cost of production.
ANSWER: C

21. Depreciation of plant and machinery is a part of--------------------.
A. factory overhead.
B. selling overhead.
C. distribution overhead.
D. administration overhead.
ANSWER: A

22. Audit fees is a part of---------------.
A. works on cost
B. selling overhead
C. distribution overhead
D. adminstration overhead.
ANSWER: D

23. Counting house salary is a part of ---------.
A. factory overhead.
B. selling overhead
C. distribution overhead
D. administration overhead.
ANSWER: D

24. Factory overhead can be charged on the basis of ---------.
A. material cost.
B. labour cost.
C. prime cost
D. factory cost.
ANSWER: D

25. Office and administration expenses can be charged on the basis of-------.
A. material cost
B. labour cost
C. prime cost
D. factory cost
ANSWER: D

26. Selling and distribution expenses can be charges on the basis of---------------------.
A. material cost
B. labour cost
C. prime cost
D. factory cost.
ANSWER: D

27. The purpose of financial accounting is to provide information for-----------.
A. fixing prices
B. controlling cost.
C. locating factory leading to wastages and losses
D. assessing the profitability and financial position of the firm.
ANSWER: D

28. An example of variable cost is----------.

A. property tax
B. interest on capital
C. direct material cost
D. depreciation of machinery.
ANSWER: C

29. Cost accounting concepts include all the following except------------.
A. planning
B. controlling
C. profit sharing
D. product costing
ANSWER: C

30. Toy manufacturing industry should use----------.
A. unit costing
B. process costing
C. batch costing
D. multiple costing.
ANSWER: C

31. Job costing used in
A. paper mills
B. chemical works
C. printing works
D. textile mills.
ANSWER: C

32. Cost unit of a sugar industry can be---------
A. per liter
B. per tonne
C. per acre
D. per meter
ANSWER: B

33. The ascertainment of costs after they have been incurred is known as-----------.
A. marginal cost
B. historical cost
C. sunk cost
D. notional cost
ANSWER: B

34. Direct material is a ----------------.
A. variable cost
B. fixed cost
C. semi fixed cost
D. semi variable cost.
ANSWER: A

35. According to which method of pricing issues is close to current economic values?
A. Last In First Out
B. First In First Out

C. Highest In First Out
D. Weighted average price.
ANSWER: A

36. Continuous stock taking is a part of-----------
A. Annual stock taking
B. perpetual inventory
C. ABC analysis
D. VED analysis
ANSWER: B

37. In which of the following methods issues of materials are priced at a predetermined rate?
A. Inflated price method.
B. Standard price method
C. Replacement price method.
D. Specific price
ANSWER: B

38. In base stock method of pricing the material issues, the term base stock represents the-----------.
A. quantity of stock being issued.
B. stock in balance
C. minimum stock.
D. maximum stock.
ANSWER: C

39. The ratios which reflect managerial efficiency in handling the asset is------.
A. turnover ratios.
B. profitability ratios.
C. short term solvency ratios.
D. long term ratios
ANSWER: A

40. The ratios which reveal the final result of the managerial policies and performance are------------.
A. turnover ratios
B. profitability ratios
C. short term solvency ratios
D. long term solvency ratio.
ANSWER: B

41. Net profit ratio is a ---------.
A. turnover ratio
B. long term solvency ratio
C. short term solvency ratio
D. profitability ratio.
ANSWER: D

42. Stock turnover ratio is----------------.
A. efficiency ratio
B. profitability ratio
C. short term solvency ratio
D. long term solvency ratio

ANSWER: A

43. Current ratio is a -----------------.
   A. short term solvency ratio
   B. long term solvency ratio
   C. profitability ratio
   D. turnover ratio.
 ANSWER: A

44. Proprietary ratio is a ----------------.
   A. short term solvency ratio
   B. long term solvency ratio
   C. profitability ratio
   D. turnover ratio.
 ANSWER: A

45. Fixed asset ratio is _______ ratio.
   A. long term solvency
   B. short term solvency
   C. trunover
   D. profitability.
 ANSWER: A

46. Debtors turnover ratio is an-----------.
   A. Short term solvency ratio
   B. long term solvency ratio
   C. profitability ratio
   D. efficiency ratio
 ANSWER: D

47. The ratio which measures the profit in relation to capital employed is known as---------------.
   A. return on investment.
   B. Gross profit ratio
   C. operating profit ratio
   D. operating ratio
 ANSWER: A

48. Return on equity is also called--------.
   A. return on on investment
   B. Gross profit ratio
   C. return on shareholders fund
   D. return on networth.
 ANSWER: D

49. Preliminary expenses are an example of------------------.
   A. fixed assets
   B. current assets
   C. fictitious assets
   D. current liabilities.
 ANSWER: C

50. Prepaid expenses are an example of-----------------.
A. fixed assets
B. current assets
C. fictitious assets
D. current liabilities
ANSWER: B

51. The ratio which shows the proportion of profits retained in the business out of the current year's profit is------------.
A. retained earning ratio.
B. payout ratio
C. earnings per share
D. price earning ratio
ANSWER: A

52. The ratio which is calculated to measure the productivity of total assets is----------------.
A. return on equity.
B. return on shareholders' funds
C. return on total assets
D. return on equity share holders' funds.
ANSWER: C

53. The dividend is related to the market value of shares is------------.
A. interest coverage ratio
B. fixed dividend coverage ratio
C. debt service coverage ratio
D. dividend yield ratio
ANSWER: D

54. Turn over ratio is also known as------------.
A. activity ratio
B. solvency ratio
C. liquidity ratio
D. profitability ratio
ANSWER: A

55. Inventory or stock turnover ratio is also called------------.
A. Stock velocity ratio
B. debtors velocity ratio
C. creditors velocity ratio
D. working capital turnover ratio
ANSWER: A

56. Which ratio is calculated to ascertain the efficiency of inventory management in terms of capital investment?
A. Stock velocity ratio
B. debtors velocity ratio
C. creditors velocity ratio
D. working capital turnover ratio
ANSWER: A

57. The ratio which measures the relationship between the cost of goods sold and the amount of average inventory is----------.
A. Stock velocity ratio
B. debtors velocity ratio
C. creditors velocity ratio
D. working capital turnover ratio
ANSWER: A

58. Sales -Gross profit=----------------.
A. net profit
B. cost of production
C. administrative expenses
D. cost of goods sold
ANSWER: D

59. Opening stock+purchases+direct expenses-closing stock= ---------------.
A. net profit
B. cost of production
C. administrative expenses
D. cost of goods sold
ANSWER: D

60. Which ratio measures the number of times the receivables are rotated in a year in terms of sales?
A. Stock turnover ratio
B. debtors turnover ratio
C. creditors turnover ratio
D. working capital turnover ratio
ANSWER: B

61. Debtors turnover ratio is also called-----------.
A. stock turnover ratio
B. debtors velocity ratio
C. creditors velocity ratio
D. working capital turnover ratio.
ANSWER: B

62. Creditors turnover ratio is also called-------------.
A. stock turnover ratio
B. debtors turnover ratio
C. accounts payable ratio
D. working capital turnover ratio
ANSWER: C

63. Current assets-current liabilities=---------------.
A. fixed capital
B. working capital
C. opening capital
D. closing capital
ANSWER: B

64. The ratio of current assets to current liabilities is called-------------.

A. liquid ratio
B. acid test ratio
C. current ratio
D. cash position ratio
ANSWER: C

65. Internationally accepted current ratio is-----------.
A. 1:1
B. 2:1
C. 3:1
D. 4:1
ANSWER: B

66. Liquid ratio is also called--------------.
A. Super quick ratio
B. acid test ratio
C. current ratio
D. cash position ratio
ANSWER: B

67. Current assets-(stock +prepaid expenses)= -------------------.
A. Current assets.
B. Fixed assets
C. Liquid assets
D. Fictitious assets
ANSWER: C

68. An ideal liquid ratio is----------------.
A. 0.25:1
B. 0.50:1
C. 0.75:1
D. 1:1
ANSWER: D

69. An ideal cash position ratio is -------------.
A. 0.25:1
B. 0.50:1
C. 0.75:1
D. 1:1
ANSWER: C

70. An ideal debt equity ratio is-------------.
A. 1
B. 2
C. 3
D. 4
ANSWER: A

71. The ratio establishes the relationship between fixed assets and long term fund is----------.
A. current ratio
B. fixed assets ratio

C. fixed assets turnover ratio
D. debt equity ratio
ANSWER: B

72. the ratio compares the shareholders funds and total tangible assets are------------.
A. capital gearing ratio
B. fixed assets turnover ratio
C. proprietary ratio
D. debt equity ratio
ANSWER: C

73. Share holders funds+Long-term loans= -----------.
A. current assets
B. current liabilities
C. fixed assets
D. capital employed
ANSWER: D

74. Low turnover of stock ratio indicates-------------.
A. solvency position
B. monopoly situation
C. over investment in inventory
D. liquidity position
ANSWER: C

75. Fund flow statement is based on the -------------.
A. cash concept of funds
B. working capital concept
C. long term funds
D. fixed assets concept of funds
ANSWER: B

76. All those assets which are converted into cash in normal course of business within one year are known as-----------.
A. fixed assets
B. current assets
C. fictitious assets
D. wasting assets
ANSWER: B

77. All those liabilities which are payable in the normal course of business within a period of one year are called-----------.
A. long term liabilities
B. overdraft
C. short term loans
D. current liabilities
ANSWER: D

78. Depreciation on fixed assets is-------------.
A. non operating income
B. operating expense

C. operating income
D. non operating expense
ANSWER: D

79. Provision for income tax is--------------.
A. non operating income
B. operating expense
C. operating income
D. appropriation of profits
ANSWER: D

80. Profit on sale of fixed assets is------------.
A. non trading income
B. operating income
C. non trading gains
D. long term gains
ANSWER: A

81. Financial accounting records only---------------.
A. standard figures
B. estimated figures
C. actual figures
D. approximate figures
ANSWER: C

82. The branch of accounting which primarily deals with processing and presenting accounting data for internal use in a concern is------------.
A. inflation accounting
B. cost accounting
C. financial accounting
D. management accounting
ANSWER: D

83. The term 'Management Accountancy' was first used in----------------.
A. 1950
B. 1939
C. 1910
D. 1947
ANSWER: B

84. Management accounting is also known as------------.
A. price level accounting
B. historical cost accounting
C. financial accounting
D. decision accounting
ANSWER: D

85. The prime function of management accounting is to-------------.
A. assist tax authorities
B. assist the management in performing its functions effectively.
C. interpret the financial data.

D. record business transactions
ANSWER: B

86. Management accounting provides valuable services to management in performing
A. co-ordinating functions
B. controlling functions
C. planning functions
D. all managerial functions
ANSWER: D

87. Management accounting is an offshoot of--------------.
A. financial accounting
B. cost accounting
C. cost accounting and inflation accounting
D. cost accounting and financial accounting
ANSWER: D

88. Management accounting analyses accounting data with the help of-------------.
A. auditors
B. statutory forms
C. tools and techniques
D. formula.
ANSWER: C

89. Management accounting is suitable for--------------.
A. large industries and trading concerns
B. co-operative societies
C. small businesses.
D. non-profit organisations.
ANSWER: A

90. Management accounting and cost accounting functions are----------.
A. neutral in effect
B. complementary in nature.
C. contradictory in nature.
D. does not relate to each other.
ANSWER: B

91. Management accounting use -----------.
A. quantitative data only
B. qualitative data only
C. descriptive data only
D. both qualitative and qualitative data
ANSWER: D

92. The tracing or reassigning of costs to one or more cost objectives is referred to as------------.
A. cost allocation
B. historical costing
C. set up costing
D. cost apportionment
ANSWER: A

93. The three main categories of manufacturing costs are:--------------
A. direct material, direct labour and factory overhead
B. direct labour,indirect labour and overtime premiums
C. raw materials, work in progress and finished goods
D. raw materials, direct labour and finished goods.
ANSWER: A

94. Which one of the following would be included in cash budget?
A. depreciation charges
B. dividends
C. goodwill
D. patent amortization
ANSWER: B

95. The document which is prepared after receiving and inspecting materials-----------.
A. material record note
B. goods received note
C. bill of material
D. inventory record.
ANSWER: B

96. VED ia a technique for ----------------.
A. the control of materials
B. the control of labour
C. the control of direct expenses
D. the control of overhead
ANSWER: A

97. Bin card is maintained by---------------.
A. costing department
B. stores department
C. finance department
D. accounting department
ANSWER: B

98. Overhead is also known as----------.
A. on cost
B. basic cost
C. extra cost
D. chargeable expenses
ANSWER: A

99. The process of setting standards and comparing actual performance with standards with a view to control the cost is----------------.
A. cost reduction
B. cost control
C. cost allocation
D. cost ascertainment
ANSWER: B

100. Under ABC method of material control, the materials are classified according to ------------.
   A. its value
   B. its usage
   C. its nature
   D. its availability
 ANSWER: A

101. Reorder level=-----------------------.
   A. Maximum level-Minimum level
   B. Maximum consumption * Maximum reorder period
   C. Minimum consumption * Minimum Reorder period.
   D. Normal consumption * Normal reorder period.
 ANSWER: B

102. In order to avoid the stoppage of production due to shortage of material ------------.
   A. Maximum stock level is maintained
   B. Minimum stock level is maintained
   C. Re-order level is maintained
   D. average stock level is maintained
 ANSWER: B

103. In order to avoid the cost of overstocking---------------.
   A. Maximum stock level is maintained
   B. Minimum stock level is maintained
   C. Re-order level is maintained
   D. average stock level is maintained
 ANSWER: A

104. This is a point at which the store keeper should initiate purchase requisition for fresh supply. It is------------.
   A. Maximum stock level
   B. Minimum stock level
   C. Reorder level
   D. Average stock level
 ANSWER: C

105. This is a level at which normal issue of material are stopped, but issued under special condition. It is -----------.
   A. Maximum stock level
   B. Minimum stock level
   C. Danger level
   D. Average stock level
 ANSWER: C

106. Annual usage is 6000 units @ Rs. 20 er unit. Cost of placing and receiving an order is Rs. 60and annual carrying cost of one unit is 10% of inventory value. EOQ= ------------
   A. 600 units
   B. 750 units
   C. 1200 units
   D. 1250 units
 ANSWER: A

107. The method in which issue prices of material is computed by dividing total purchase cost of material in stock with total quantity in stock ------------.
   A. Simple average method
   B. Weighted average method
   C. Periodical average method.
   D. Periodic simple average method
 ANSWER: B

108. If minimum stock level is 900 units and economic ordering quantity is 750 units, then average stock level = -------------.
   A. 825 units
   B. 1275 units
   C. 1525 units
   D. 1650 units
 ANSWER: B

109. Packing cost is --------------.
   A. Production cost
   B. Selling cost
   C. administration cost
   D. distribution cost
 ANSWER: D

110. Directors remuneration and expenses form part of ---------------.
   A. Production overhead
   B. Administration overhead
   C. Selling overhead
   D. Distribution overhead
 ANSWER: B

111. Production cost under marginal costing includes --------------.
   A. prime cost only
   B. prime cost and fixed overhead
   C. prime cost and variable overhead
   D. prime cost, variable overhead, and fixed overhead.
 ANSWER: C

112. Contribution margin is also known as-------------.
   A. marginal income
   B. gross profit
   C. net profit
   D. net loss
 ANSWER: A

113. Period costs are-------------------.
   A. overhead costs
   B. prime cost
   C. variable cost
   D. fixed cost
 ANSWER: D

114. Contribution margin is equal to------------------.
   A. fixed cost - loss
   B. profit+variable cost
   C. sales-fixed cost-profit
   D. sales-profit
 ANSWER: A

115. P/V ratio is an indicator of-----------------------.
   A. the rate at which goods are sold.
   B. the volume of sales
   C. the volume of profit
   D. the rate of profit
 ANSWER: D

116. Margin of Safety is the difference between:--------
   A. Planned sales and planned profit.
   B. actual sales and break even sales
   C. planned sales and actual sales
   D. planned sales and planned expenses
 ANSWER: B

117. An increase in variable costs -----------------.
   A. increases p/v ratio
   B. increases the profit
   C. reduces contribution
   D. increase margin of safety
 ANSWER: C

118. An increase in selling price------------------.
   A. increases the break even point
   B. decreases the break even point
   C. does not the break even point
   D. optimize the break even point
 ANSWER: B

119. A large margin of safety indicates-----------------.
   A. over production
   B. over capitalization
   C. the soundness of the business
   D. under capitalization
 ANSWER: C

120. CVP analysis is most important for the determination of---------------.
   A. sales revenue necessary to equal to fixed cost
   B. relationship between revenues and cost at various levels of operations
   C. variable revenues necessary to equal fixed costs.
   D. volume of operations necessary to break-even.
 ANSWER: A

121. The conventional Break-Even analysis does not assume that-----------------.

A. Selling price per unit will remain fixed.
B. Total fixed cost remains the same.
C. variable cost per unit will vary.
D. productivity per worker will remain unchanged.
ANSWER: B

122. If fixed costs decrease while variable cost per unit remains constant, the new BEP in relation to the old BEP will be------------------.
A. lower
B. higher
C. unchanged
D. indeterminate
ANSWER: B

123. Selling price per unit Rs. 10; variable cost Rs. 8 per unit; fixed cost Rs. 20,000; Break Even production in units---------------.
A. 10,000
B. 16,300
C. 2,000
D. 2,500
ANSWER: A

124. Sales Rs. 25,000; Variable cost Rs. 8,000; Fixed cost Rs. 5,000; Break Even sales in value----------------.
A. Rs.7936
B. Rs.7353
C. Rs.8333
D. Rs.9090
ANSWER: B

125. Fixed cost Rs. 80,000; variable cost Rs. 2 per unit; selling price Rs. 10 per unit ; turnover required for a profit target of Rs. 60,000-----------------.
A. Rs. 1,75,000
B. Rs. 1,17,400
C. Rs. 1,57,000
D. Rs. 1,86,667
ANSWER: A

126. Sales Rs. 25,000; variable cost Rs. 15,000; Fixed cost Rs. 4,000; P/V ratio is ---------------.
A. 40%
B. 80%
C. 15%
D. 30%
ANSWER: A

127. Sales Rs. 50,000; variable cost Rs. 30,000; Net profit Rs. 6,000; Fixed cost is-----------------.
A. Rs. 10,000
B. Rs. 14,000
C. Rs. 12,000
D. Rs. 8,000
ANSWER: B

128. Actual sales Rs. 4,00,000; Break Even Sales Rs. 2,50,000; Margin of safety in percentage is ---------------------

A. 66.67%
B. 33.33%
C. 37.5%
D. 76.33%
ANSWER: C

129. P/V ratio 50%; variable cost of the produce Rs. 25; selling price is------------------.

A. Rs. 50
B. Rs.40
C. Rs. 30
D. Rs. 55
ANSWER: A

130. Fixed cost Rs. 2,00,000; sales Rs. 8,00,000; P/V ratio 30%; the amount of profit is---------------.

A. Rs. 50,000
B. Rs. 40,000
C. Rs. 35,000
D. Rs. 45,000
ANSWER: B

131. P/V ratio is 25% and margin of safety is Rs. 3,00,000; the amount of profit is-------------.

A. Rs. 1,00,000
B. Rs. 80,000
C. Rs. 75,000
D. Rs. 60,000
ANSWER: C

132. Total sales Rs. 20,00,000; fixed expenses Rs. 4,00,000; P/V ratio 40%; Break even capacity in percentage is -------------.

A. 40%
B. 60%
C. 50%
D. 45%
ANSWER: C

133. Break-even point occurs at 40% of total capacity, margin of safety will be------------.

A. 40%
B. 60%
C. 80%
D. 85%
ANSWER: B

134. If the P/V ratio of a product is 30% and selling price is Rs. 25 per unit, the marginal cost of the product would be --------------.

A. Rs. 18.75
B. Rs. 16
C. Rs. 15
D. Rs. 20

ANSWER: A

135. Absorption costing is also known as-----------------.
A. historical costing
B. real costing
C. marginal costing
D. standard costing
ANSWER: A

136. Under marginal costing stock are valued at--------------------.
A. fixed cost
B. semi variable cost
C. variable cost
D. market price
ANSWER: C

137. Marginal costing lays emphasis on-----------------.
A. production
B. sales
C. marketing
D. advertising
ANSWER: B

138. Selling price-marginal cost=---------------------------.
A. Fixed cost
B. semi-variable cost
C. contribution
D. break even point
ANSWER: C

139. Total sales-total variable cost-----------------------
A. fixed cost
B. semi variable cost
C. Contribution
D. break even point
ANSWER: C

140. contribution means -----------------------
A. Fixed cost
B. semi-variable cost
C. margin of safety
D. fixed cost + profit
ANSWER: D

141. One of the most important tools of cost planning is------------.
A. budget
B. direct cost
C. unit cost
D. cost sheet
ANSWER: A

142. Sales budget is a -----------------.
A. functional budget
B. expenditure budget
C. Master budget
D. Flexible budget
ANSWER: A

143. The budget which usually takes the form of budgeted profit and loss account and balance sheet is known as--------------------
A. flexible budget
B. Master budget
C. Cash budget
D. purchase budget
ANSWER: B

144. Which of the following is usually a long-term budget?
A. Fixed budget
B. Cash budget
C. Sales budget
D. Capital expenditure budget.
ANSWER: D

145. The fixed-variable cost classification has a special significance in the preparation of----------------.
A. Capital budget
B. Cash budget
C. Master budget
D. Flexible budget
ANSWER: D

146. The budget, which is prepared first of all is----------------.
A. Master budget
B. Cash budget
C. Budget for key factor
D. flexible budget
ANSWER: C

147. Operation budget normally cover for a period of------------------.
A. one to ten years
B. one to two years
C. one to five years
D. one year or less
ANSWER: D

148. The entire process of preparing the budget is known as--------------------.
A. planning
B. organising
C. budgeting
D. controlling
ANSWER: C

149. Budgetary control starts with-----------------------.

A. planning
B. organising
C. budgeting
D. controlling
ANSWER: C

150. Long-term budgets are prepared for -----------------.
A. 1 year
B. 1-3 years
C. 1-5years
D. 5-10 years
ANSWER: D

Staff Name
KARTHIKA D .